

Recommendations for Notice and Follow-up Requirements for Medicaid Drug Denials Involving Prior Authorization

Whenever DSS electronically denies Medicaid payment to a pharmacy for a prescribed medication, or provides only a one-time 14-day temporary supply of the drug, individualized written notice should be provided by DSS to the enrollee either immediately at the pharmacy or mailed out to that enrollee within 24 hours, and to the prescriber within two business days:

- 1) The written notice to enrollees should be individually-tailored for the individual, identifying the drug at issue and explaining why payment for the drug was denied, in whole or part, the regulatory basis for the denial, the means to request a hearing to review the denial, and additional actions which may be taken to obtain a supply or further supply of that medication or a substitute medication.
 - 2) DSS or its contractor should also contact the prescriber in writing or electronically within two business days of the denial or issuance of the temporary supply to advise of the denial or temporary supply and, if the drug was denied due to lack of prior authorization, should explain to the prescriber that the drug requires prior authorization if a further supply of the drug is needed and, if applicable, that there are other drugs that may be equally effective which do not require prior authorization.
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